Division of Securities Utah Department of Commerce 160 East 300 South P.O. Box 146760 Salt Lake City, Utah 84114-6760

Telephone: 801 530-6600

Facsimile: 801 530-6980

BEFORE THE DIVISION OF SECURITIES OF THE DEPARTMENT OF COMMERCE OF THE STATE OF UTAH

THE MATTER OF:

DOUGLAS K. NELSON; MAINSTREET UTAH; MAINSTREET INTERNATIONAL; TECHNOCASH; and U.I.S. MARKETING, INC.;

ORDER TO SHOW CAUSE

Docket No. <u>SD-02-0099</u>
Docket No. <u>SD-02-0100</u>
Docket No. <u>SD-02-0101</u>
Docket No. <u>SD-02-0102</u>
Docket No. <u>SD-02-0103</u>

Respondents.

TO: Douglas K. Nelson 8123 South 2175 East South Weber, UT 84405

> Mainstreet Utah 533 West 2600 South, Suite #350 Bountiful, UT 84010

> Mainstreet International 533 West 2600 South, Suite #350 Bountiful, UT 84010

> Technocash 533 West 2600 South, Suite #350 Bountiful, UT 84010

U.I.S. Marketing, Inc. 533 West 2600 South, Suite #350 Bountiful, UT 84010

It appears to the Director of the Utah Division of Securities ("the Director") that Douglas K. Nelson; Mainstreet Utah; Mainstreet International; Technocash and U.I.S. Marketing, Inc. (collectively "Respondents") have engaged in acts and practices that violate the Utah Uniform Securities Act, Utah Code Ann. § 61-1-1, et seq. ("the Act"). Those acts and practices are more fully described herein. Having reviewed the relevant facts discovered in the course of the Division staff's investigation of this matter, the Director issues this Order to Show Cause in accordance with the provisions of § 61-1-20(1) of the Act.

STATEMENT OF FACTS

- 1. Douglas K. Nelson is an individual whose last known address is 8123 South 2175 East in South Weber, Utah.
- 2. The records of the Utah Department of Corporations and Commercial Code revealed Mainstreet Utah and Mainstreet International are not domestic or foreign corporations registered with the State.
- 3. In November of 2001 and May of 2002, Nelson offered stock in Mainstreet to Nattalie Smith ("Smith") and Jerry Paskett ("Paskett") in Utah. Nelson told investors if they bought stock in Mainstreet, they would receive an equal number of shares in a company called Technocash.
 - 4. Nelson told Smith that Technocash was a program developed by a man from Australia

to pay for products with an ATM card. Nelson told Smith that Mainstreet was the company promoting Technocash.

- 5. Nelson told Paskett that he (Nelson) did not need to be licensed to sell the stock or provide a prospectus to investors because Mainstreet was a privately owned business.

 Nelson told Smith that Nelson had raised over \$800,000 through the sale of stock and had sold stock to approximately 400 investors along the Wasatch front.
- 6. In May of 2002, Nelson told Smith and Paskett there was a deadline to invest and the offering would close the following day at midnight. Nelson instructed Smith to leave her investment check in the mailbox at his home in South Weber, Utah.
- 7. It appears that Mainstreet shares were sold to at least one Utah investor who purchased 1000 shares of Mainstreet stock and was given 1000 shares of Technocash.
- 8. The investment offered or sold by the Respondents were shares of stock which are securities under 61-1-13 of the Act.
- 9. A search of the Division's records revealed that the securities of Mainstreet Utah, Mainstreet Inernational or Technocash are not registered with the Division, no exemption has been filed and no notice filing has been made.
 - 10. Section 61-1-7 of the Act provides that:

It is unlawful for any person to offer or sell any security in this state unless it is registered under this chapter or the securities or transaction is exempted under Section 61-1-14....

11. The securities are not registered and do not appear to be exempt from registration under any provision of § 61-1-14 of the Act. Respondents are therefore in violation of § 61-1-7 of the Act.

ORDER

The Director, pursuant to § 61-1-20 of the Act hereby orders Respondents to appear at a formal hearing to be conducted in accordance with Utah Code Ann. §§ 63-46b-4 and 63-46b-6 through -10, and held before the Utah Division of Securities. The hearing will occur at the place, date and time set forth in the Notice of Agency Action. If Respondents fail to appear at the hearing, an order to cease and desist may be issued and a fine imposed by default against Respondents, as provided by Utah Code Ann. § 63-46b-11. At the hearing, Respondents may show cause, if any they have:

- 1. Why Respondents should not be found to have engaged in the violations alleged by the Division.
- 2. Why Respondents should not be ordered to cease and desist from engaging in any further conduct in violation of Utah Code Ann. §§ 61-1-1(2), 61-1-3(1), or any other section of the Act.
- 3. Why Respondents should not be ordered to pay a fine to the Division in an amount to be determined at the hearing.

DATED this ____ day of July, 2002.

S. Anthony Taggart

Director

Utah Division of Securities

Approved:

Jeffrey Buckner

Assistant Attorney General

Division of Securities Utah Department of Commerce 160 East 300 South P.O. Box 146760 Salt Lake City, Utah 84114-6760

Telephone: 801 530-6600 Facsimile: 801 530-6980

BEFORE THE DIVISION OF SECURITIES OF THE DEPARTMENT OF COMMERCE OF THE STATE OF UTAH

IN THE MATTER OF:

DOUGLAS K. NELSON; MAINSTREET UTAH; MAINSTREET INTERNATIONAL; TECHNOCASH; and U.I.S. MARKETING, INC.

NOTICE OF AGENCY ACTION

Docket no. SD-02-0099 Docket no. SD-02-0100 Docket no. SD-02-0101 Docket no. SD-02-0102 Docket no. SD-02-0103

Respondents.

THE DIVISION OF SECURITIES TO THE ABOVE-NAMED RESPONDENTS:

The purpose of this Notice of Agency Action is to inform you that the Division hereby commences a formal adjudicative proceeding against you as of the date of mailing of the Order to Show Cause. The authority and procedure by which this proceeding is commenced are provided by Utah Code Ann. § 63-46b-3 and Utah Code Ann. § 63-46B-6 through 11. The facts on which this action is based are set forth in the foregoing Order to Show Cause.

Within thirty (30) days of the date of this notice, you are required to file a written response with the Division. The response you file may be helpful in clarifying, refining or narrowing the facts and violations alleged in the Order to Show Cause.

You must attend a hearing that will occur at 160 East 300 South, 2nd Floor, Room 205, Salt Lake City, Utah at 9:00 a.m.; on August 19, 2002.

If you fail to file a written response, as set forth herein, or fail to appear at the hearing, you will be held in default and an Order to Cease and Desist will enter and a fine may be imposed against you in accordance with Utah Code Ann. §63-46b-11.

The presiding officer in this case is S. Anthony Taggart, Director, Division of Securities, 160 East 300 South, Box 146760, Salt Lake City, Utah 84114-6760, telephone (801) 530-6600. The Administrative Law Judge will be J. Steven Eklund, Utah Department of Commerce, 160 East 300 South, Box 146701, Salt Lake City, Utah 84114-6701, telephone (801) 530-6648. At such hearing, the Division will be represented by the Utah Attorney General's Office, Box 140872, 160 East 300 South, Salt Lake City, Utah, 84114, telephone (801) 366-0310. At the hearing, you may appear and be heard and present evidence on your behalf.

You may attempt to negotiate a settlement of the matter without proceeding to the hearing. Should you so desire, please contact the Utah Attorney General's Office. Questions regarding the Order to Show Cause and Notice of Agency Action may be directed to Jeff Buckner, Assistant Attorney General, 160 E. 300 South, PO Box 140872, Salt Lake City, Utah, 84114-0872, telephone (801) 366-0310.

DATED this _____ day of July, 2002

S. Anthony Taggart

Director, Division of Securities Utah Department of Commerce

CERTIFICATE OF SERVICE

I certify that on the _____ day of July, 2002, I mailed, by certified mail, a true and correct copy of the Order to Show Cause, and Notice of Agency Action to the following:

Douglas K. Nelson 8123 South 2175 East South Weber, UT 84405

Certified Mail #: "ICC (CAS Mark as Land 1914)

Mainstreet Utah 533 West 2600 South, Suite #350 Bountiful, UT 84010

Certified Mail #: 1100 pc 16 16 20 20 20 20 20

Mainstreet International 533 West 2600 South, Suite #350 Bountiful, UT 84010

Technocash 533 West 2600 South, Suite #350 Bountiful, UT 84010

U.I.S. Marketing, Inc. 533 West 2600 South, Suite #350 Bountiful, UT 84010

Executive Secretary